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MODERNIZATION OF SMALL SCALE INDUSTRY IN SUDAN

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Modernisation of Small Scale Industry in Sudan.

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History:

Throughout the history of the Sudan cottage industries covered a wide range of beneficial objects as the traditional artistry and handicrafts handed down from centuries past as produced by craftsmen. Among these are the primitive practices of producing carpets and mats, baskets, cotton cloth, primitive tanneries leather manufacture, carpentary, boat-building, pottery, stone carving, embroidery and extremely beautiful works of ivory and wood and all the other types of handicrafts. All these industries show their originality which appears in their beautiful design, which however still calls for further improvement and modernization.

Other important small industries such as glassware, soap, vegetable oils, cement have started on a very small scale in the Sudan during and after World War II. But when the country became independent in 1956 the National Government felt that Industrialisation was of great importance for the creation of a sound and balanced economy. For this reason the Government of the Sudan after being sure of the fact that the raw materials of many industries are available locally declared its policy towards the encouragement of local and foreign capital investment in industry. The Approved Enterprises (Concessions) Act was made in 1956 and an Industrial Advisory Committee was set up so as to assess the facilities to be extended to applicants intended to establish new industry. An Approved Enterprises must fulfil certain requirements and they must contribute to the welfare of the country.

So since 1956 more than 200 enterprises have been classified as Approved Industries. A significant feature of progress during the last five years has been the increased rate of development. More and more interest is being shown in industrial development both by local and foreign capitals. Also this is due to the new awareness of industrial possibilities of the Sudan. Manufacturing establishments in the Private Sector according to the last Census of 1962 is shown as follows :-

AN ALL SUDAN ANALYSIS OF KNOWN MANUFACTURING ESTABLISHMENTS IN THE PRIVATE SECTOR ONLY, GROUPED ACCORDING TO THEIR ECONOMIC ACTIVITY AND SHOWING THE HIGHEST NUMBER OF PERSONS REPORTED AS EMPLOYED IN EACH GROUP AT ANY ONE TIME DURING 1961

(PREPARED FROM RETURN RECEIVED UP TO 15TH MARCH)

Code No.	Major Industrial Group	Total No. of establishments	Total Employers	Percent of employmentation on each manufacturing group
20	Food manuf. industries except services	103	2,626	(22.25)
21	Beverage industries	9	966	(8.20)
22	Tobacco manufacture	3	291	(2.47)
23	Manufacturers of textiles	8	503	(4.26)
24	Manufacture of footwear, other than wearing appearal, made-up textile goods	35	807	(6.84)
26	Manufacture of furniture and fixtures	30	424	(3.59)
27	Manufacture of paper & paper products	6	336	(2.85)
28	Printing publishing and allied industries	21	501	(4.25)
29	Manufacture of leather and leather products except footwear and wearing	8	80	(0.76)
30)	Manufacture of rubber products	2	25	(0.21)
31	Manufacture of chemicals and chemicals products	16	1,724	(14.61)
33	Manufacture of non-metallic mineral products except petrol and coal	11	905	(7.67)
35	Manufacture of metal products except machinery and transport equipment	33	1,092	(9.26)
36	Manufacture of machinery except electrical machinery	9	287	(2.43)
37	Manufacture of electrical machinery apparatus, appliances and supplies	16	245	(2.08)
38	Manufacture and repair of transport equipment	55	897	(7.60)
39	Miscellaneous manufacturing industries	19	78	(0.66)
	All manufacturing group	384	11,797	(100%)

Note: Only 3 of the major manufacturing groups included in the International Classification are absent in this analysis. They are major group 25, manufactures of wools and cork except furniture, 32 manufactures of petroleum and coal products and 34; basis metal industries. These either do not exist or have not been located so far.

2. The Role of Small Scale Industry

Small scale industries in the Sudan and nearly in any other under-developed country are of vital importance to any development and progress of the country. Their importance lies in giving employment opportunities to large manual power, raising the standard of living and creating a balanced economy of the country by preserving foreign exchange and processing local raw materials as well as maintaining an element of skill within the country. They also help in preserving traditional arts and skill which represent a precious part of the nation cultural heritage. Small scale industries also form a stepping stone to large industries and they offer excellent facilities for management, training and technical skills.

Problems of the Small Scale Industries in the Sudan

The problems of small scale in the Sudan are many and varied because these small industries are still under developed due to the absence of research of design and for improving the products. All the problems of small scale industries cannot be dealt with at once, so it is necessary to concentrate in selected groups of industries in accordance with national priority needs.

Many of these small industries are unable to solve their problems and they are looking forward for the help of the Government. The major problems are :-

a) Raw materials and Spares:

Raw materials for many industries are available in the Sudan. But some of these materials which are available are not primarily processed so as to meet the needs of the local industries i.e. lime enters in the manufacture of paints, and it is found in the Sudan in large quantities, but as it is not primarily processed and purified it cannot be utilised in the manufacture of paints. Also the Sudan is self-sufficient in the raw materials of textiles industry, and more than 75% of raw material used in glass are obtained locally i.e. both quartz and sand. But still most of small industries are facing the difficulties in procuring the right type of raw materials. Shortage of imported raw materials is also one of the greatest handicaps. So many of these small industries are not running at their full capacity of production owing to the shortage of raw materials or to the delay due to transportation. Spare parts also cannot easily be obtained or when imported will also be delayed due to distance and other factors.

b) Technical Know-how:

The Sudan also as one of these many under-developed countries lacks the facilities of offering technical advice on the spot. Most of small industries lack adequate knowledge of modern industrial technique and so many industries are making use of foreign technicians. The actual result of this lack of technical know-how is the rise in the cost of production because in the absence of this proper guidance small scale industries are working uneconomically as the improvement of the technique will increase the quality of the work and hence increased cost of production.

c) Lack of Credit Facilities:

Small scale industries find great difficulties in obtaining loans since there is no sufficient guarantee or security for the loan. The new Industrial Bank of the Sudan may solve this problem to some extent, by giving loans to some of the existing small scale industries but still ordinary banking organs are shy of rendering financial aid to small industries in view of the risks involved.

d) Weakness of methods of marketing:

Small scale industries in the Sudan are at a disadvantage in marketing their products. They lack the holding power because they are to a great extent at the mercy of the middle-men. For this reason the consumer obtains the products at comparatively higher prices, while the middle-men have a wide margin. There is a little knowledge of advertising methods and in spite of that there is a good chance for some of them due to the strong demand in the market. So intensive research must be done to solve the problem of marketing and specially to lessen the holding power of the middle-men as much as possible. Limited marketing facilities often act as a restriction on growth of production and income, and large scale output without marketing means will result in spoilage, deterioration of quality and might result in interruption of production process itself.

e) Lack of Standardization:

Low quality of products and lack of uniformity seriously retard the sale of small industry products, because for many goods definite standards of quality have been agreed upon.

In fact industry was shifted from the shop of a lone - black - smith to relatively big factories where need for the accuracy and unification of measures is much greater - samples of consumer products may differ in quality and quantity and

consequently their sales rate depends on those two factors which show their standard. Therefore we feel the need for setting standard specifications on which the quality of local products can be ascertained and checked. This is, no doubt, of vital importance to the healthy growth and development of our young industries, as it would enable us to secure that good qualities are offered to the consumer and at the same time enable us to aim at achieving better products.

Measures for Improvement and Modernization of small scale Industries in the Sudan:

a) Provision of good raw materials and the use of the best raw materials as much as possible is one of the basic factors for improvement of our small industries. The local resources of raw materials must be improved while the local processing of local raw materials must be encouraged also so as to meet the needs of the secondary industries. But still sometimes instead of being solely dependent upon local materials, it is advisable to find one of the measures to combine local with as many materials as could be necessary from outside as possible.

b) Establishment of Research Institute and Research Centres to improve the Technical Know-how :-

Industrial development must be preceded by careful and extensive laboratory and techno-economic research. The feasibility of basing a new industry on existing local resources must be proven. Also the method of processing of the existing industries must be improved, so measures have been taken to invite capable technicians and experts from advanced nations to provide the factories of each industrial field with the necessary guidance and to make investigations onthe local raw materials and on the improvement of the finishing process. Moreover in order to help this problem the number of Sudanese sent for specialised training abroad has been increased largely; and at the same time a vocational training centre has been established to help in obtaining skilled labour. In addition to that the Government has set up productivity centre to train the management and staff in the principles and practices of productivity under the supervision of two experts from the International Labour Office. The role of Khartoum Technical Institute and the allied branches in this field cannot be denied. The function of the technical schools and the Khartoum Technical Institute is to train technicians. The policy planning for technical education is to certain extent based on the correlation between education and the future needs of the country to make available the required number of experienced and knowledgeable

personnel to take part in the development shhemes, particularly the technical ones. The institute comprises the three main schools of Engineering, Commerce and Fine Applied Art. Extensive and well equipped workshops and laboratories are provided. In the Engineering Section students study construction, civil, mechanical, electrical and automobile engineering. Also a Senior Trade School was opened in 1960 where graduates of Post Intermediate Trade Schools take a two years course and then sit for the final City and Guilde of London Certificate. In this Senior Trade Schools various crafts are studied of which are plumbing, Building, machine shop Engineering, Automobile Engineering, Electrical Installation and foundry. Within Khartoum Technical Institute there would be teacher training centre to improve the standard of instruction in the Technical Schools in the Sudan. This will no doubt afford the students of learning better methods that would help to improve the skills and productivity on being attached to various concerns. The product of Senior Trade Schools will not only serve Government Ministries but will also be available for the private sector. Every effort is being made to establish a two-way relationship between training in Khartoum Technical Institute and the industrial concerns in the country. Such a relationship will not only bring those concerned with technical education in contact with industrialists and hence affording them the chance to assess their needs but it will at the same time keep the trainers informed of the rapid advances in production methods that come in force from time to time. This will no doubt enable those concerned with technical education to provide the industries with people whose services will yield profits with the minimum of training within the industry. To acquaint students with the conditions they are going to face on leaving the schools, summer training programmes are being arranged for them to get them to face as many life problems as they can, that will no doubt meet them in their future career. Khartoum Technical Institute is not all for mechanical training, the basic manual skills are being also provided to enable students to produce where machinery might not be available. So the Khartoum Technical Institute and its branches will help greatly in the development of small scale industries of the Sudan by providing skilled workers with knowledge of modern techniques.

Further still research centres and research institute must be established. These will provide advisory service and demonstration, on technical processes, use and improvement of equipments, training in business, management and skilled labour, research on the use and availability of local raw materials and also to make the survey of industrial prospects. These research centres

will also assist in training rural industrial staff. The Research Institute can help to attract financing, since it would be available to carry out feasibility studies and investigations on the technical and economic potentialities for interested local and foreign investors.

The proposed Industrial Research Institute which will be established by the Ministry of Commerce, Industry & Supply will no doubt assist to solve this problem. This Industrial Research Institute will perform the following functions :-

i) Give advice to the existing small industries on improved technical processes and on the use of modern machinery and equipment.

ii) Make economic surveys of particular industries and recommend suitable projects, and to carry out feasibility studies and investigations on the technical and economic soundness of projects for interested local and foreign investors.

iii) Carry out research on local raw material and on improved production facilities.

c) Development and utilisation of the existing industries

In order to attain rapid development great stress must be laid upon the full utilisation of existing industries and that is by modernization and improvement of the production facilities. Full support and assistance must also be received by the traditional industries.

In the light of the above, for attaining the required rapid development of small industries many steps should be taken. The important one is that each factory should preferably be specialised for production of some particular article. As each simple machine consists of several parts, it is difficult and it is really uneconomical to manufacture many articles in a single small plant, because it is inefficient to manufacture many products in addition to the main major products except in few possible cases. The complementary relationship between large and small industries must be strengthened whenever possible. Stress must be placed on making common production plans where both large and small industries will make their contribution with each other.

d) Encouragement of Marketing:

Emphasis must be placed upon the Internal markets demands and further still attention must be given to the promotion of exports. Intensive research for potentialities of both local and foreign markets must be done, covering all the important items

of consumers preference, prices etc etc. The main problem facing the Sudanese local market is that the consumer still has no confidence in the local brand and tends to prefer foreign products, so it is important to have a good finishing for local products to attract the consumer. Also producers have to make enough advetisement, wherever and whenever possible. The creation of consumer's preference by means of advertising is a long term business and for advertisement to be successful, it must be continuous and prolonged.

e) Construction of Repair Workshops:

Every factory must have a repair shop on the spot if possible, for repair workshops can easily be run on small or large scales, as they will enable various small industries to perform their work properly without stopping or waiting for a small repair piece to come from abroad, or suffer from delay due to railways. It also saves other industries from storing many repair parts. In fact some of the existing industries have started to have their repair shops attached to the factories; of these is Khartoum North Glassworks Factory.

It is obvious from what we have previously mentioned that the Government is responsible to look after small scale industries by taking all measures which will lead to their quick development and promotion, in order to :-

i) Raise the productivity of agriculture
ii) Provide employment opportunities
iii) Improve living conditions
iv) Utilise the local raw materials and other available resources of the country.
v) Promote production for export
vi) Spread the economic activities over a larger area through diffusion by promoting small industries in rural areas.

The products should be inspected by the Government for their quality and standard, because the market is used to receiving foreign made articles for a very long period and it is very difficult to accept a new brand locally made unless it is of an adequate high quality.

Governmental subsidy must be given to those industries which can manufacture export articles from domestic raw materials namely, textiles, carpets, leather products and ivory and ebony works. Preference must also be given for industries which are manufacturing articles from domestic and some imported raw materials to be used for domestic purposes. Proper safeguards will need to

be taken for private industrialists must be given adequate financial assistance to construct factories according to their own design if approved. Also modern equipments and technical assistance must be accepted from the experienced and industrialized countries. This will make the processing in small industries also be kept in line with the rapid improvement which are being made in the field of technology.

Importance of Co-operation

Amongst the many handicaps that small industries are suffering in the Sudan is the lack of co-operation. Many of them have an individualistic nature which create great difficulties for the promotion and modernization of small industries. So it is more desirable to form some sort of associations or industrial co-operatives according to the needs of a particular industry. Thus the encouragement of this co-operative association will being the industrialists in line with the modern demand of marketing of their goods by maintenance of high standards of workmanship which results also in raising the quality and standard of products and consequently increasing income. Industrial co-operatives will also assist the industrialists in obtaining loans and removing the middle-men from the scene. A particularly valuable service rendered by the associations is keeping their memberships aware of the important issues and economic changes that should or should not be favoured if an organisation is to be kept strong.

In conclusion it is clear that small scale industries are vital to the progress of the country because they extend employment opportunities, raise incomes and the standard of living of the people and help to create a sound balanced economy of the country. Thus they have to be modernized and organized and well looked by the Government in order to florish and play their full part in the development of the country.

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